

FSC-118-B		7/15/97	
SUBJECT: Tobacco Settlement Agreement			
DISTRIBUTION:			
<input checked="" type="checkbox"/> AVP	<input checked="" type="checkbox"/> KAM	<input checked="" type="checkbox"/> DM	
<input checked="" type="checkbox"/> RSM	<input checked="" type="checkbox"/> AM	<input checked="" type="checkbox"/> RM	
<input checked="" type="checkbox"/> RBM	<input checked="" type="checkbox"/> AE	<input type="checkbox"/> Sales Rep	
<input checked="" type="checkbox"/> ROM		<input type="checkbox"/> Retail Rep	

Some of you have received questions from customers regarding how the proposed settlement agreement may affect the retail environment. To assist you in your role as category managers, the following document summarizes some of the key provisions in the agreement relating to retail operations and is for your use only. It is important to note the following:

1. The agreement at this point is just an outline. Congress and the President will evaluate the agreement and may propose changes. It is impossible to predict nor should we speculate about the final outcome or timing of this process.
2. There are many issues covered in the agreement that are beyond the scope and expertise of the field sales organization. In addition we may be unable to answer some questions because information is not currently available. If you need assistance in responding to a question call your Area Manager of Operations, your trade marketing representative or the Law Department in Winston-Salem.

We will continue to update you as the process unfolds and information becomes available.

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